ऐसे क्षेत्र है जहां कम्पनी को सबसे ज्यादा घाटा होता है । 1997-98 मे पांच परियोजनाओं से फायदा होने की भी संभावना है जो यह है – बंकोला, कजोड़ा, तेंदा, झांझरा एवं सतग्राम । अन्य इलाके जैसे कि सौधपुर, श्रीपुर, पांडवेश्वर, मुगमा, सलानपुर, सीतारामपुर की पुनरूध्दार योजना अभी बनाई जा रही है ।

उपसभापति : आप कमेटी की डिटेल्स भिजवा दीजिएगा । उन्होंने यह सवाल पूछा है कि जो कमेटी बनी है उनकी रिपोर्ट क्या आई । आप बाद में भिजवा दीजिएगा ।

श्रीमती कान्ति सिंह : मैं भिजवा दूंगी ।

Use of Naphtha as Fuel for Power Plant

*62. SHRI JOHN F. FERNANDES: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Government have taken a decision to encourage power plants which use Naphtha as fuel to run these units;

(b) if so, how many such units are permitted in the private sector throughout the country, State-wise;

(c) what steps arc being taken to discontinue the licenses already issued to some private firms by State Governments to start such units; and

(d) whether Government will frame a policy on the use of fuel by power plants in private sector?

THE MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI YOGINDER K. ALAGH): (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) It had been decided that in order to establish additional power generation capacity that could materialise in the short Tun. Power projects based on liquid fuels, including naphtha would be permitted.

(b) Details are given in the Statement-I *(See* below)

(c) Fuel linkages are being given for power projects based on the State Government's recommendations of specific projects within the ceiling capacity allotted to each State.

(d) There already exists a policy which permits private sector units to set up power plants based on fuel oils like heavy petroleum stock. Low sulphur heavy stock have furnace oil, furnare oil naphtha and natural gas.

Statement-I

State-wise Naphtha Based Private Sector Power Projects

SL No.	State	I Napl powi	dumber of itha based :r projects
1.	Rajasthan		9
2.	Maharashtra		5
3.	Uttar Pradesh		8
4.	Tamil Nadu		6
5.	Andhra Pradesh		9
6.	Karnataka		16
7.	' Haryana		3
8.	Madhya Pradesh		4
9.	Gujarat		13
10.	Kerala		3
11.	Pondicherry		2
12.	Goa		1

SHRI JOHN F. FERDNANDES: Madam, before I ask my supplementary, I have to make a small printing correction in my question. In part (a) the word "encourage" should be read as "discourage"

THE DEPUTY CHAIRMAN: What was there in your original question?

SHRI JOHN F. FERNANDES: That was in my original question, "...to discourage..." and not "to encourage..."

I have got the answer from the Government. Madam, we know the projection of the Government in the Ninth Five-Year Plan. There is a shortfall

of 96,000 megawatts and the Government's target would be to meet only 56,000 megawatts. The Government has privatised the power sector. We know that the Government imports Naphtha basically for the petroleum and the fertiliser sector, which is heavily subsidised. Now, 75 private units have applied for licence and 12 States have granted the licences. I want to know from the hon. Minister whether they will supply the subsidised Naphtha to the power plants or they will make them to improt Naphtha directly. You grant power plants under Naphtha, but no infrastructure has been created for this in this country. Basically through the fly-by-night operators they get turbine engines to generate power and take the maximum profit. So, I would like to know whether the Government will supply Naphtha, which is heavily subsidised by the Government for the two sectors—petroleum sector and fertiliser sector.

SHRI YOGINDER K. ALAGH: Madam Deputy Chairman, my distinguished colleague and friend has turned the question upside and down from "encourage" to "discourage". However, the issue that he is raising is an important one. We have no intention of subisiding naphtha for the power sector. In fact, naphtha will be sold at the international price at which it is imported and an upfront cost for additional infrastructure which may have to be created, that is, non-tradable infrastructure also we will charge. Of course, that will be adjusted against the naphtha price. In fact, the Minsitry of Petroleum are permitting the IPPs if they want to make their own arrangement for importing naphtha within the alloction that the Government has sanctioned.

SHRI JOHN F. FERNANDES: Madam Deputy Chairman, again the shortfall in the demand will be about 30,000 MW in the Ninth Five Year Plan. May I know from the hon. Minister what steps the Government is taking so as to encourage the multinationals from abroad to invest in the thermal, hydro and gas-based power sectors? I would like to know whether any incentives are given to create the heavy base infrastructure in this country.

SHRI YOGINDER K. ALAGH: Madam Deputy Chairperson, this is a very important question. Of course, the full details of it will be contained in the Ninth Five Year Plan. It is expected to _ be finalised by November. At present the Working Group on Energy has estiamted and overall demand of around 53,000 MW additional which the hon. Member has also said. These additional demands for plants will have to be finalised between the Power Ministry and the Planning Commission now and at the time of the finalisation of the Ninth Plan. Meanwhile we see already around a little more than 33,000 to 34,000 MW projects on which emphasis on completion has been put. One can bring them into a fruition in the Ninth Plan. We have also set up a task force to identify additional projects for which we should be in a position to try and get clearances. But the specific question that the Member has raised is the approach that we have. One is in the short-run to increase the availability of power from the present capacity for which we are coming out with a loaning programme of around Rs. 1,600 crores because in the next 6 months, 12 months, 18 months we have to idenfity projects for which we want to give assistance. We want to suggest that management systems and economic turnaround of those units, must be in position which the specified units must achieve. In addition to this, we have asked the public sector units to go ahead with their programme of investment. Two projects have already been cleared and the NTPC and the NHPC have been asked to use their equity together with whatever else which is required which can be made available. I am happy to inform the House that my colleague, the Union Finance Minister at the last meeting of the Planning Commission has said that

power will be a fully-funded sector. In other words, now we expect an emphasis on public sector investment programme in the power sector also. The Central power utility will also be encouraged to enter into arrangements with States or with the private sector to leverage more money into the power sector. As far as the private sector is concerned, we have identified certain projects. Of course, these are the counter-guarantee projects as well as the MOUs and mega projects. We are putting them on a pert chart so that we can identify the decision-making responsibility. This is going to be a critical year for the Ninth Plan because many of these projects have gestation cycles of three years or more. So, we want to get approved as many projects as we can. I am reasonably confident that we will be making a major effort not to have a deficit at the end of the Ninth Plan.

SHRI NILOTPAL BASU: Madam, two very important aspects are involved in the gamut of issues that has been thrown up—one is the welcome change in the approach of the Finance Minister, as the hon. Minister has pointed out, that also in the public sector there will be proper investments; and the other is that of the fuel linkage. Madam, all these questions are intricately related to each other. Now, these days,...

THE DEPUTY CHAIRMAN: You please put the question. I do not want you to give your assumptions. Put the question.

SHRI NILOTPAL BASU: It has thrown up a very wide gamut of issues. I think....

THE DEPUTY CHAIRMAN: We can have a discussion on that.

SHRI NILOTPAL BASU: Not a discussion. I have a very specific question, In the light of the discussion that is going on about the increased dependence of the country on the imported fuel, I would like to know whether the choice of Naphtha as such is in keeping with the overall context and really what the cost will be that the nation pays because of this increased dependence on Naphtha.

SHRI YOGINDER K. ALAGH: Madam Chairperson, the Planning Commission had done a study last year which I will be very happy to give to the hon. Member or any other hon. Member who would like. In that, they have done a very detailed study of alternative fuel possibilities and they have shown that given the fact that our investment in the Eighth Plan had slipped, it makes economic sense to do limited amounts of investment in Naphtha-based projects becuase that is the only option for the next year or two.

SHRI NILOTPAL BASU: Was there a proper review? What is the cost input for the projects in the overall context of our increased dependence on imported fuel.

SHRI YOGINDER K. ALAGH: I am giving the answer precisely to that question. When I am saying that the Planning Commission had a detailed study, I mean the Planning Commission of the Government of India as well as the Planning Commissions of the States had a very detailed study. If you want I can describe it because I know the study by heart. But it will take a lot of time. It is a very detailed study which gets into the fuel linkage question in terms of relative prices and it comes to the conclusion that in the next two years, given the situation in which we were last year when they did the study, a limited amount of Naphtha-based power is the viable option, But the hon. Member is absolutely right-before him also another hon. Member put the question—that Naphtha is an expensive fuel. It is not a fuel which is a preferred fuel. In fact, I can give him five points where the Planning Commission had studied in different parts of the country. Naphtha becomes one of the more expensive options even in terms of lecvlised tariffs. If you do not have options, then in the short run, it is an I economic option to follow. Now we are

working on the whole question of the fuel policy, that is the fuel policy linkages for the Ninth Five-Year Plan. My hon. colleague, the Union Minister for Coal, has given some indications. For example today, it is possible even for an international company to invest in a coalmine which is linked with a power project and they get all the benefits in the investment as they do in the power project. These are ihe kinds of incentives which we are giving; in addition, of course, there is the major programme of investment in the public sector. I did not say that the public sector is also to be given incentives. I have said that the public sector is a priority sector as far as the power sector is concerned in the Ninth Five Year Plan. The Approach Paper says that and my colleague, the Union Minister for Finance has said that this will be a fully funded sector.

THE DEPUTY CHAIRMAN: The next question, Question No. 63, is also on the power crisis in the country. Even the Capital of the country is having a terrible power crisis. Every day, in everybody's house, the power goes off in Delhi. Even in most VVIP areas and in Parliament when it is in Session, the power goes off. I do not know if, when the Ninth Five Year Plan is ready, we will be living in dark and will have to start all over again. Shri S.B. Chavan:

श्री बीरेन्द्र कटारिया : डिप्टी चेयरमैन साहिबा, हाउस में मोम बत्तियों का इंतजाम जरूर रखिएगा।

†**شری ویریندر کٹاریہ:** ڈپٹی چیئر مین صاحبہ۔ ھاؤس میں موم بتیوں کا انتظام ضرور رکھئے گا۔

THE DEPUTY CHAIRMAN: I think we should explore more about the bees, the honey-bee cultivation. [] Transliteration in Arabic Script.

SHRI S.B. CHAVAN: Madam, thfc.fe a very important sector for which w< writ require a detailed discussion in ^rtris^

† [] Transliteration in Arabic Script

House. There is no doubt about this fact. Looking to the experience of the Eighth Five Year Plan, we could not achieve even 50 per cent of the targeted figures in the Eighth Five Year Plan. Now, in the Ninth Kve Year Plan you are targeting for 93,000 megawatts of power or 96,000 megawatts of power and you have also said that the Finance Minister seems to be happy to fund this for the public sector. So, there are three, four areas which, in fact, are able to produce power, and the cheapest happens to be the hydro power. Next comes the thermal power. Thereafter comes the atomic power and a very expensive source is the power generated either from Naphtha or from gas. So, we are adopting a very expensive route rather than a cheaper one. In the Eighth Five Year Plan, I am sure, though you could not achieve it, some projects must have been completed or must have been in an advanced stage but could not be completed. How many of them are there which, in fact, will be completed in the first half of the Ninth Five Year Plan?' This is number one. Now, I come to the policy issue about which you were pleased to state that the Government has taken a policy decision in respect of liquid fuel, gas and other things. I would also like to know as to what the policy decision about giving a counter guarantee by the Government is without going into the techno-economic viability of the project itself. These are the two specific questions on which I would like to have your reaction.

SHRI YOGINDER K. ALAGH: Madam, I am grateful to the senior Member, Chavan Sahib, who has a lot of experience in seeking these clarfications. The intention of the Government in saying that it is giving a priority to public investment in the power sector is not just on paper. For example, during the last month, we have also approved two major power projects of the NTPC, both at Simhadri as well as at Panipat. I assure you that we have given instructions to our staff to go ahead very fast in getting approval for the remaining projects that

they have and getting investment clearance for them.

SHRI S. B. CHAVAN: These are the new projects. They were not there in the Eighth Five Year Plan.

SHRI YOGINDER K. ALAGH: As far as the Eighth Five Year Plan was cocnerned, we have been able to persuade the Finance Minister to give us an additional allocation after the Budget was finalised for the quicker completion of the on-going projects, both in the hydel sector as well as in the thermal sector. But unfortunately, these capacities are not of that magnitude that in the first year or two, we will get very substantial additions, and that is why a renovation and modernisation programme, a programme for improving the plant load factor as well as bringing in limited capacities in the liquid fuel project is very important.

Now, I come to the question of counter guarantees. We have only agreed to give counter guarantees for the eight fast track projects which were initiated earlier and for other projects, it is not the Government's intention to give counter guarantees but to link them up with other kinds of reforms—for example, the linking up with Escrow Accounts, in some cases, with distribution sources and so on.

SHRI S.B. CHAVAN: Now, on the basis of techno-economic viability, you must have given these counter guarantees. I am more on that.

SHRI YOGINDER K. ALAGH: Yes, Sir. In fact, due to these kinds of reasons, the counter guarantees have been delayed for the eight projects. The financial closure for a number of them is yet to come because these things are gone into in very great detail.

SHRI S.B. CHAVAN: I would like to know specifically whether this aspect was considered or not. If it was not on the basis of techno-economic feasibility, then the Government of India will have to shell out the money from its own coffer if the State Governments or the Electricity Boards were to pay.

THE DEPUTY CHAIRMAN: As in the case of Enron.

SHRI YOGINDER K. ALAGH: The Government of India has to give counter—guarantee and in each case techno-economic clearance. Financial closure which is based on that is a precondition.

THE DEPUTY CHAIRMAN: Shri Satish Agarwal. Mr. Agarwal, I think Question No. 63 is also on the same subject. We will club them together. I will ask Shri Maheshwar Singh to put the next question. Then both the questions can be taken up together.

SHRI SATISH AGARWAL: Madam, not only this question but Question Nos. 63, 70 and 80 are also on the same subject which are very important.

THE DEPUTY CHAIRMAN: Let Shri Maheshwar Singh put this question and then we will discuss both the questions together.

देश में विधुत संकट

*63. **श्री महेश्वर सिंह** : क्या विधुत मंत्री यह बताने की कृपा करेंगे कि **:**

(क) क्या यह सच है कि देश में विधुत उत्पादन का अपार भंडार होते हुए भी देश के प्रमुख स्थानों में विधुत का आभाव है जिसके फलस्वरूप दिल्ली जैसे शहरों के विशिष्ट क्षेत्रों में भी विधुत कटौती की जा रही है

(ख) यदि हां, तो जून माह के दौरान दिल्ली के विशिष्ट/अतिविशिष्ट क्षेत्रों में कितने-कितने घंटे की विधुत कटौती की गई, उसका ब्यौरा क्या है; और

(ग) देश की विधुत उत्पादन क्षमता को बढ़ाने के लिए सरकार क्या कदम उठा रही है ?

विज्ञान और प्रौधोगिकी मंत्रालय के राज्यमंत्री तथा विधुत मंत्रालय के राज्यमंत्री (श्री योगेन्द्र कुमार भगतराम अलघ) : (क) से (ग) विवरण सभा पटल पर रख दिया गया है ।